

Brownfields Cleanup Revolving Loan Fund Pilot

Pioneer Valley Planning Commission, Massachusetts (Coalition with the Cities of Springfield, Chicopee, and Westfield, and the Pioneer Valley Planning Commission)

Outreach and Special Projects Staff (5101)

Quick Reference Fact Sheet

EPA's Brownfields Economic Redevelopment Initiative is designed to empower states, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields. A brownfield is a site, or portion thereof, that has actual or perceived contamination and an active potential for redevelopment or reuse. EPA is funding: assessment demonstration pilot programs (each funded up to \$200,000 over two years), to assess brownfields sites and to test cleanup and redevelopment models; job training pilot programs (each funded up to \$200,000 over two years), to provide training for residents of communities affected by brownfields to facilitate cleanup of brownfields sites and prepare trainees for future employment in the environmental field; and, cleanup revolving loan fund programs (each funded up to \$500,000 over five years) to capitalize loan funds to make loans for the environmental cleanup of brownfields. These pilot programs are intended to provide EPA, states, tribes, municipalities, and communities with useful information and strategies as they continue to seek new methods to promote a unified approach to site assessment, environmental cleanup, and redevelopment.

BACKGROUND

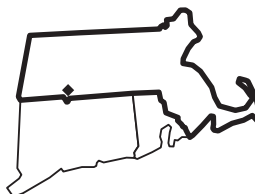
The Pioneer Valley Planning Commission (PVPC) BCRLF pilot is a coalition formed among the cities of Springfield, Chicopee, and Westfield and the PVPC. Springfield is the region's economic center, while Chicopee was one of the first planned industrial communities in the nation. Although the region is known for its industrial heritage, its unfortunate legacy in the post-industrial era is a vast amount of vacant and contaminated industrial sites. There are at least 629 known sites in the 43 communities within the Pioneer Valley Region. These brownfields represent lost jobs, environmentally degraded neighborhoods, and economic loss.

BCRLF OBJECTIVES

Through the BCRLF program the pilot anticipates that it will be able to both continue to implement the objectives of its regional economic master plan and provide a needed service to its communities. The PVPC BCRLF pilot goals include the following:

- Increasing urban core viability and stability by encouraging the cleanup and reuse of brownfields;

PILOT SNAPSHOT



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Date of Announcement:
May 25, 1999

Amount: \$2 million

BCRLF Target Area:
Sites throughout the 43-community Pioneer Valley Region

Contacts:

Pioneer Valley Planning
Commission
(413) 781-6045

Region 1 Brownfields
Coordinator
(617) 918-1209

Visit the EPA Region 1 Brownfields web site at:
www.epa.gov/region01/remed/brnflld/

For further information, including specific Pilot contacts, additional Pilot information, brownfields news and events, and publications and links, visit the EPA Brownfields web site at:
<http://www.epa.gov/brownfields/>

- Facilitating a more inclusive and sustainable approach to brownfields redevelopment by aligning developers' needs with the types of brownfields that currently exist;
- Enabling brownfields redevelopment to be an alternative to greenfield development by providing a financing source for cleanup;
- Establishing new ways to fund brownfields redevelopment through BCRLF leveraging; and
- Utilizing brownfields redevelopment to achieve more rational land use patterns, thereby reducing sprawl.

The pilot plans to give sites located within the Federally-designated Enterprise Community in Springfield and State-designated Economic Target Areas preference.

FUND STRUCTURE AND OPERATIONS

The PVPC will serve as lead agency and fund manager, while the Massachusetts Department of Environmental Protection will assist the pilot in carrying out its site management responsibilities. Although the fund is administered by PVPC, Springfield, Chicopee, and Westfield will each retain decision-making rights for their allocation of cleanup funds. PVPC's portion of the award will first be available to projects in the remaining 40 communities in the Pioneer Valley Region. The pilot anticipates loans ranging between \$175,000 and \$375,000, with three or four loans made during the initial round of lending.

LEVERAGING

Potential opportunities for leveraging include the Massachusetts Office of Business Development tax increment financing program, HUD Section 108 program (Springfield received a \$1 to \$2 million package), and other federal programs. In addition, sites located in Economic Target Areas receive a 5 percent investment tax credit, a 10 percent abandoned building tax deduction, local property tax benefits, and priority status for State funding.

Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.
